

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

G-02696A
Broken Bow Gas Company
200 West Longhorn
Payson, AZ 85541

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RECEIVED
APR 21 2006
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT

FOR YEAR ENDING

12	31	2005
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FOR COMMISSION USE

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PROCESSED BY:

4-21-06 RF

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>Energy West Inc. dba Energy West Arizona</u>			
Mailing Address <u>#1 First Ave. South</u>		<u>PO Box 2229</u>	
<u>Great Falls</u>	<u>MT</u>	<u>59403-2229</u>	
(City)	(State)	(Zip)	
<u>(406) 791-7500</u>	<u>(406) 791-7558</u>	<u>N/A</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address <u>cawolverton@ewst.com</u>			
Local Office Mailing Address <u>200 W. Longhorn Road</u>			
<u>Payson</u>	<u>AZ</u>	<u>85541</u>	
(City)	(State)	(Zip)	
<u>(928) 474-2294</u>	<u>(928) 474-0909</u>	<u>N/A</u>	
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address <u>drmann@ewst.com</u>			

MANAGEMENT INFORMATION

Management Contact: <u>Douglas Mann</u>		<u>Vice President-Propane</u>	
(Name)		(Title)	
<u>200 W. Longhorn Road</u>	<u>Payson</u>	<u>AZ</u>	<u>85541</u>
(Street)	(City)	(State)	(Zip)
<u>(928) 474-2294</u>	<u>(928) 474-0909</u>	<u>N/A</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address <u>drmann@ewst.com</u>			
On Site Manager: <u>Douglas Mann</u>		<u>Vice President</u>	
(Name)		(Title)	
<u>200 W. Longhorn Road</u>	<u>Payson</u>	<u>AZ</u>	<u>85541</u>
(Street)	(City)	(State)	(Zip)
<u>(928) 474-2294</u>	<u>(928) 474-0909</u>	<u>N/A</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address <u>drmann@ewst.com</u>			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Douglas Mann

(Name)

200 W. Longhorn Road

(Street)

Payson

(City)

AZ

(State)

85541

(Zip)

(928) 474-2294

Telephone No. (Include Area Code)

(928) 474-0909

Fax No. (Include Area Code)

N/A

Pager/Cell No. (Include Area Code)

Attorney: Michael M Grant, Gallagher & Kennedy, P.A.

(Name)

2575 E Camelback Road

(Street)

Phoenix

(City)

AZ

(State)

85061

(Zip)

(602) 530-8291

Telephone No. (Include Area Code)

(602) 530-8500

Fax No. (Include Area Code)

N/A

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)* ☒ C Corporation (C) (Other than Association/Co-op)☐ Partnership (P)☐ Subchapter S Corporation (Z)☐ Bankruptcy (B)☐ Association/Co-op (A)☐ Receivership (R)☐ Limited Liability Company☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE☐ COCHISE☐ COCONINO* ☒ GILA☐ GRAHAM☐ GREENLEE☐ LA PAZ☐ MARICOPA☐ MOHAVE☐ NAVAJO☐ PIMA☐ PINAL☐ SANTA CRUZ☐ YAVAPAI☐ YUMA☐ STATEWIDE

SERVICES AUTHORIZED TO PROVIDE

Check the following box/es for the services that you are authorized to provide:

☐ **Electric**

- ☐ Investor Owned Electric
- ☐ Rural Electric Cooperative
- ☐ Utility Distribution Company
- ☐ Electric Service Provider
 - ☐ Transmission Service Provider
 - ☐ Meter Service Provider
 - ☐ Meter Reading Service Provider
 - ☐ Billing and Collection
 - ☐ Ancillary Services
 - ☐ Generation Provider
 - ☐ Aggregator/Broker

☐ **Telecommunications**

- ☐ Incumbent Local Exchange Carrier
- ☐ Interexchange Carrier
- ☐ Competitive Local Exchange Carrier
- ☐ Reseller
- ☐ Alternative Operator Service Provider

☒ **Gas**

- ☐ Natural Gas
- ☒ Propane

☐ **Other (Specify)** _____

STATISTICAL INFORMATION

TELECOMMUNICATION UTILITIES ONLY

Total residence local exchange access lines _____

Total business local exchange access lines _____

Total revenue from Arizona operations \$ _____

Total income from Arizona operations \$ _____

Value of assets used to serve Arizona customers \$ _____

Accumulated depreciation associated with those assets \$ _____

STATISTICAL INFORMATION (CONT'D)

ELECTRIC UTILITY PROVIDERS ONLY

Total number of customers	_____
Residential	_____
Commercial	_____
Industrial	_____
Public street and highway lighting	_____
Irrigation	_____
Resale	_____
Total kilowatt-hours sold	_____ kWh
Residential	_____
Commercial	_____
Industrial	_____
Public street and highway lighting	_____
Irrigation	_____
Resale	_____
Maximum Peak Load	_____ MW

GAS UTILITIES ONLY

Total number of customers	<u>7672</u>
Residential	<u>7054</u>
Commercial	<u>530</u>
Industrial	<u>88</u>
Irrigation	_____
Resale	_____
Total therms sold	<u>3641075</u> therms
Residential	<u>2602708</u>
Commercial	<u>614423</u>
Industrial	<u>423944</u>
Irrigation	_____
Resale	_____

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

RECEIVED

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>Gila</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Douglas R. Mann, Statutory Agent</u>
COMPANY NAME <u>Energy West Arizona</u>

APR 21 2006

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH <u>12</u>	DAY <u>31</u>	YEAR <u>2005</u>
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HAS BEEN PREPARED UNDER MY DIRECTION, FROM⁺⁺THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 7,457,585

(THE AMOUNT IN BOX ABOVE
INCLUDES \$
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

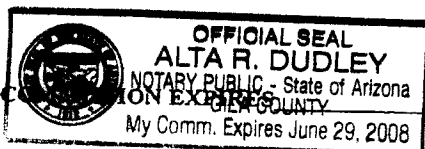
THIS 19 DAY OF

(SEAL)

Douglas R. Mann
SIGNATURE OF OWNER OR OFFICIAL
928/474-2224
TELEPHONE NUMBER

COUNTY NAME <u>Gila</u>
MONTH <u>April 19</u> YEAR <u>2006</u>

Alta R. Dudley
SIGNATURE OF NOTARY PUBLIC



VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

APR 21 2006

STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) Gila		AZ CORPORATION COMMISSION DIRECTOR OF UTILITIES Statutory Agent
NAME (OWNER OR OFFICIAL) Douglas R. Mann	TITLE	
COMPANY NAME Energy West Arizona		

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 5,290,148

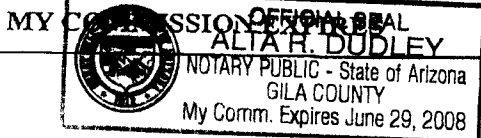
(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 386780
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X. Douglas R. Mann
SIGNATURE OF OWNER OR OFFICIAL
928/474-2294
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 19 DAY OF
(SEAL)

NOTARY PUBLIC NAME Alta R. Dudley	
COUNTY NAME Gila	
MONTH April	2006



X. Alta R. Dudley
SIGNATURE OF NOTARY PUBLIC

ENERGY WEST ARIZONA
Consolidated Income Statement
Twelve Months Ended December 31, 2005

	12 Months Ended 12/31/2005
Energy Revenue	\$ 6,532,802
Energy Purchases	4,089,191
Total Gross Margin	2,443,611
Other Operating Charges:	
Vaporizer Fuel Costs	77,408
General and administrative	1,392,593
Maintenance	48,050
Depreciation	395,589
Taxes other than income taxes	118,637
Total Other Operating Charges	2,032,277
Other income (loss)	91,065
Earnings before Int & Taxes	502,399
Interest Charges:	
Interest on long-term debt	237,434
Other interest	131,115
Total Interest charges	368,549
Income (loss) before inc taxes	133,850
Income taxes:	
Income taxes-operations	66,627
Income taxes-other income	
Total Income taxes	66,627
Net Income	\$ 67,223
EPS	\$ 0.0259

**EWA - Broken Bow
Balance Sheet**

	12/31/05	12/31/04	Increase/ (Decrease)
ASSETS			
Current assets:			
Cash	203,205	40,718	162,486
Accounts receivable	446,069	835,214	(389,145)
Accounts receivable - intercompany	79,081	66,025	13,057
Accrued Gas Receivables	910,997	969,315	(58,318)
Natural gas and propane inventories	26,809	18,857	7,952
Materials and supplies	102,054	75,109	26,944
Prepayments	12,814	10,029	2,785
Deferred tax assets - current	21,591	29,500	(7,909)
Recoverable cost of gas purchased	986,121	506,044	480,077
Total current assets	2,788,741	2,550,811	237,930
Utility Plant	11,350,703	11,110,555	240,148
Less Accumulated Depreciation	(4,005,715)	(3,610,126)	(395,589)
Net property, plant and equipment	7,344,988	7,500,429	(155,442)
Total other assets	64,316	247,067	(182,751)
TOTAL ASSETS	\$10,198,045	\$10,298,308	(\$100,262)

**EWA - Broken Bow
Balance Sheet**

LIABILITIES AND CAPITALIZATION

Current liabilities:

Accounts payable	\$775,990	\$990,744	(\$214,754)
Current portion of long-term debt	3,300	2,891	409
Deferred income tax payable - current	390,440	200,512	189,927
Accrued and other current liabilities	(260,801)	49,188	(309,989)

Total current liabilities	908,928	1,243,335	(334,407)
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Other Obligations:

Deferred federal income taxes	969,770	924,735	45,034
Other long-term liabilities	737,387	725,632	11,755

Total other liabilities	1,707,157	1,650,368	56,789
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ENERGY WEST Intercompany	6,156,066	6,042,635	113,432
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Long-term debt	499,729	503,029	(3,300)
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Equity:

Retained earnings	926,165	858,942	67,223
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Total equity	926,165	858,942	67,223
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TOTAL LIABILITIES AND CAPITALIZATION	\$10,198,045	\$10,298,308	(\$100,262)
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